
Introduced by Senator CoxFebruary 23, 2006

An act to amend Section 791.16 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1462, as introduced, Cox. Insurance information and privacy protection: service of process.

Existing law provides for the regulation of insurers by the Insurance Commissioner. Existing law, the Insurance Information and Privacy Protection Act, regulates the disclosure of information gathered in connection with insurance transactions by insurance institutions, agents, or insurance-support organizations. Existing law provides that an insurance-support organization transacting business outside the state that has an effect on a person residing in this state is deemed to have appointed the commissioner to accept service of process on its behalf, if the commissioner causes a copy of the service to be immediately mailed by registered mail to the insurance-support organization at its last know principal place of business.

This bill would authorize the commissioner to provide that copy of service by using a third party mailing service with tracking capability.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 791.16 of the Insurance Code is
- 2 amended to read:
- 3 791.16. For the purpose of this article, an insurance-support
- 4 organization transacting business outside this state ~~which~~ that has

1 an effect on a person residing in this state shall be deemed to
2 have appointed the commissioner to accept service of process on
3 its behalf, provided the commissioner causes a copy of ~~such the~~
4 service to be mailed ~~forthwith~~ *immediately* by registered mail, *or*
5 *by any third party mailing service with tracking capability*, to the
6 insurance-support organization at its last known principal place
7 of business. The return postcard receipt *or signed receipt*
8 *documentation* for ~~such the~~ mailing shall be sufficient proof that
9 the same was properly mailed by the commissioner.